

What is claimed is:

1. A method for monitoring credit of a counterparty having a parent entity, comprising:
 - receiving trade information relating to trades entered into by the counterparty;
 - 5 accumulating positions for the counterparty indicated by the trade information with previously accumulated positions;
 - 10 accumulating positions for the parent entity indicated by the trade information with previously accumulated positions;
 - comparing at least one of accumulated counterparty positions and accumulated parent entity positions with at least one trading limit; and
 - shutting off trading for the
 - 15 counterparty when at least one of the accumulated counterparty positions and the accumulated parent entity positions exceeds the at least one trading limit.
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2. The method of claim 1, further comprising:
 - receiving trade information relating to at least one of cleared trades and failed trades;
 - 5 adjusting accumulated counterparty positions based upon the trade information relating to the at least one of the cleared trades and the failed trades; and
 - adjusting accumulated parent entity
 - 10 positions based upon the trade information relating to the at least one of the cleared trades and the failed trades.

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3. The method of claim 1, further comprising accumulating counter party positions based upon long-bond-equivalents.

4. The method of claim 1, further comprising accumulating parent entity positions based upon long-bond-equivalents.

5. The method of claim 1, further comprising updating an operator interface that shows the accumulated counterparty positions.

6. The method of claim 1, further comprising updating an operator interface that shows the accumulated parent entity positions.

7. The method of claim 1, wherein the comparing of at least one of accumulated counterparty positions and accumulated parent entity positions with at least one trading limit comprising:

5 determining whether the at least one trading limit includes a limit for the accumulated counterparty positions; and

10 comparing the accumulated counterparty positions to the limit for the accumulated counterparty positions when the limit exists.

8. The method of claim 1, wherein the comparing of at least one of accumulated counterparty positions and accumulated parent entity positions with at least one trading limit comprising:

5 determining whether the at least one trading limit includes a limit for the accumulated parent entity positions; and

comparing the accumulated parent entity positions to the limit for the accumulated parent entity positions when the limit exists.

9. The method of claim 1, further comprising sending a message to indicate when trading for the counterparty has been shut off.

10. The method of claim 1, further comprising:

comparing at least one of accumulated counterparty positions and accumulated parent entity positions with at least one trading warning level; and sending a message to indicate when at least one of the accumulated counterparty positions and the accumulated parent entity positions exceeds the at least one trading warning level.

11. The method of claim 1, further comprising providing an operator interface that prompts an operator to specify the at least one trading limit.

12. A system for monitoring credit of a counterparty having a parent entity, comprising:

a trading system the provides trade information relating to trades entered into by the counterparty; and

a credit processor that:

receives the trade information relating to the trades entered into by the counterparty,

10 accumulates positions for the
counterparty indicated by the trade information
with previously accumulated positions,

- 15 accumulates positions for the
parent entity indicated by the trade information
with previously accumulated positions,
 compares at least one of
accumulated counterparty positions and accumulated
parent entity positions with at least one trading
limit; and
- 20 shuts off trading for the
counterparty when at least one of the accumulated
counterparty positions and the accumulated parent
entity positions exceeds the at least one trading
limit.

13. The system of claim 12, further comprising a clearing system that provides trade information relating to at least one of cleared trades and failed trades, wherein the credit processor also

5 receives trade information relating to at least one of cleared trades and failed trades, adjusts accumulated counterparty positions based upon the trade information relating to the at least one of the cleared trades and the failed trades, and adjusts accumulated parent

10 entity positions based upon the trade information relating to the at least one of the cleared trades and the failed trades.

14. The system of claim 12, wherein the credit processor also accumulates counter party positions based upon long-bond-equivalents.

15. The system of claim 12, wherein the credit processor also accumulates parent entity positions based upon long-bond-equivalents.

16. The system of claim 12, wherein the credit processor also updates an operator interface that shows the accumulated counterparty positions.

17. The system of claim 12, wherein the credit processor also updates an operator interface that shows the accumulated parent entity positions.

18. The system of claim 12, wherein the credit processor in comparing of at least one of accumulated counterparty positions and accumulated parent entity positions with at least one trading limit:

determines whether the at least one trading limit includes a limit for the accumulated counterparty positions; and

10 compares the accumulated counterparty positions to the limit for the accumulated counterparty positions when the limit exists.

19. The system of claim 12, wherein the credit processor in comparing of at least one of accumulated counterparty positions and accumulated parent entity positions with at least one trading limit:

determines whether the at least one trading limit includes a limit for the accumulated parent entity positions; and

10 compares the accumulated parent entity positions to the limit for the accumulated parent entity positions when the limit exists.

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20. The system of claim 12, wherein the credit processor also sends a message to indicate when trading for the counterparty has been shut off.

21. The system of claim 12, wherein the credit processor also:

compares at least one of accumulated counterparty positions and accumulated parent entity 5 positions with at least one trading warning level; and sends a message to indicate when at least one of the accumulated counterparty positions and the accumulated parent entity positions exceeds the at least one trading warning level.

22. The system of claim 12, wherein the credit processor also provides an operator interface that prompts an operator to specify the at least one trading limit.